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1. The Marine Arbitration Commission was established in 1930 under the All-Union Trade Chamber, the latter is subordinate to the Council of Ministers, and is located in Moscow. Ranzaytsev, a member of the presidium of the All-Union Trade Chamber, is chairman of the Commission.
2. Basically, activity of the Marine Arbitration Commission involves performing tasks in connection with the settlement of controversies which arise between Soviet and foreign organizations and firms in connection with questions concerning merchant navigation. The jurisdiction of the Commission in all such controversies is conferred only by the mutual assent of all parties to the dispute.
3. In the first years of the Commission's existence it handled only controversies arising out of fees for aid rendered on the high seas, such as frequently occurred in salvage operations at sea. By 1951, however, the competence of the Commission to hear controversies had been extended to the following situations.
- (a) Controversies over fees for aid rendered by merchant ships to one another. For example, a British ship assisting a Soviet ship, or vice versa.
 - (b) Controversies over fees for aid rendered by a merchant ship to a river vessel. For example an Italian merchant ship renders aid to a Soviet river vessel.

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- (c) Controversies arising out of a collision between merchant ships. For example a Soviet ship collides with a French merchantman. If two Soviet ships collide and they happen to be from different steamship agencies a dispute arising out of this situation may be heard by the Commission.
- (d) Controversies which arise from a collision of a vessel from the Ministry of the Merchant Fleet and a ship from the Ministry of the River Fleet.
- (e) Controversies which arise because of damages inflicted on shore installations by merchant ships. For example a ship might run into a dock or even a bridge and a controversy arise over responsibility for the accident or the amount of the damages.
- (f) Controversies arising from ship chartering agreements, contracts with agents for servicing of the vessels, and disputes over bills of lading for marine transport.
- (g) Controversies arising in connection with marine insurance.

4. The power of the commission to hear controversies is contingent upon the consent of the parties and both parties to the dispute must consent to the hearing before any examination of the facts can take place. There is no special form to be followed in submitting an agreement of the parties by which they consent to the Commission's holding hearings on the dispute.

An agreement conferring jurisdiction on the Commission may be inserted in any contract between parties. This is done in advance of any dispute and is quite frequently found in large undertakings. In small transactions, however, this type of clause is generally not inserted in the contract. Occasionally this agreement is made in the form of a separate contract and may be done subsequent or prior to any dispute. The crux of the whole idea is that the Commission is to represent an impartial body which can hear disputes fairly and intelligently without prejudice.

5. The Commission itself consists of about twenty to twenty-two members. When a dispute is received by the Commission the chairman, Ramzaytsev, assigns the case to three members of the body. If the parties desire they may each select one of the members and then Ramzaytsev will appoint a member of his choice to complete the board of three. In the event that the parties, by mutual consent, leave the choice of arbitrators to the commission itself, the chairman may entrust the settlement of the dispute to a single arbitrator. The arbitrators are experts in law and also in problems of the marine and river transport activities.

In the event that the parties to the dispute cannot even reach agreement as to the issues involved in the dispute, then they must get together and choose a single arbitrator from the Commission who will determine the issues upon which the case is to be decided.

6. During the hearings on the dispute the parties have the right to counsel and to be present at the hearings, to introduce evidence and plead their cases before the arbitrators.
7. The decision of the arbitrators of a particular case must be more than a mere ruling, but must include the reasons upon which the decision rests. After the decision has been handed down by the commission it is binding upon the parties and they must adhere to the ruling. Each of the parties has, however, the right of appeal to the Supreme Court of the USSR. This court may upset the ruling of the Commission and return the case for further hearings if there has been a mistake or misinterpretation of the existing laws.

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8. The costs of the hearings which are levied on the parties to the dispute cannot exceed two per cent of the sum under controversy.
9. In determining the amount of an award to make in a dispute the Commission uses the value of the ship, cargo, or charter fee involved as a criterion. In this connection the owners of the cargo cannot refuse to participate in the hearings on the grounds that a salvage contract is involved and that they, the owners, were not parties thereto. This is specifically dealt with in the Code of Trade Navigation of the USSR (Article 67) wherein it is stated that the captain of a vessel suffering a disaster and who concludes a salvage contract is a representative not only of the shipowner, but also of the owner of the cargo.
10. In determining the value of the property involved, the commission uses an appraisal of the salvager, the plaintiff in the case, as a starting point. If the defendant disputes the amount placed on the property by the plaintiff, this would be considered by the arbitrators in the final determination of the proper evaluation of the property. Experts are generally called upon for assistance in setting the value of the property.
11. In establishing the amount of expenses for which the salvager is entitled to reimbursement, the Commission considers not only the direct expenses involved but also collateral costs to which the plaintiff is entitled. These collateral items include such things as expenses of training personnel, maintaining radio communications, marine agents, etc.

In making a final determination as to a proper award the commission also not only considers the volume of the salvage operations, but in addition the conditions under which the salvage operations were conducted. In situations where neither the salvaging ships nor their crews were subjected to danger and no special difficulties were encountered, the Commission considers that a minimum fee is adequate. In cases where the ships and crews were exposed to grave danger, the commission takes these facts into consideration and generally awards a higher fee.

12. Generally if a shipper undertakes to transport cargo without reservation in the bill of lading for the eventuality of poor packaging, then the shipper is held liable for any loss due to the poor packaging.
13. If there are controversies between the shipper and the charterer with regard to standards for loading at the point of origin and unloading at the point of destination, the Commission will decide the case on the facts as they existed for each phase of the operation.
14. The Marine Arbitration Commission is not a court of law, but rather is a forum for hearing disputes informally and expeditiously at the request of the parties. Once the Commission had been chosen by the parties and a decision is handed down, the award is binding on the parties and their only recourse is to the Supreme Court of the USSR where the award is examined for possible mistakes of law.

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